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Court Ruling Alters Debate On Troop Use By Germany

By Joseph Fitchett International Herald Tribune PARIS - In Bonn and in allied capitals, the court decision allowing German troops to join...

The thrust of the court ruling nonetheless gave more power to the activist view of Mr. Kohl and Defense Minister Volker Rittig...

Room for All, for a Day, in Jerusalem's Streets

By Clyde Haberman New York Times Service JERUSALEM - There was no news in Jerusalem on Friday. Unless, of course, one counts the thousands of Christian pilgrims from around the world who walked the Via Dolorosa...



Franciscan monks passing an Israeli policeman Friday on the Via Dolorosa in Jerusalem. Pilgrims jammed the city for the Easter holiday. No violence was reported.

At Easter, Remembering That Women Were There

By Gustav Niebuhr Washington Post Service WASHINGTON - When the Reverend Norman Broadbent enters the pulpit Easter morning, it will be to talk about the first person to proclaim Jesus' resurrection...

4 U.S. Jets Bomb Iraqis After They Are Fired On

WASHINGTON - American fighter jets on Friday bombed Iraqi anti-aircraft batteries that fired at the aircraft as they flew a routine surveillance mission over the flight-exclusion zone in northern Iraq...

The United Nations Security Council agreed on Monday to maintain the restrictions, saying that Baghdad had not fulfilled its obligations under the Gulf War ceasefire...

Serbs Agree to Cease-Fire But Bar UN in Srebrenica

SARAJEVO, Bosnia-Herzegovina - The Bosnian Serbian commander announced Friday that he had agreed to a cease-fire around the eastern Bosnian town of Srebrenica...

Kiosk NAACP Names An Ex-Prisoner

ATLANTA (AP) - The Reverend Benjamin Chavis, who served four years in prison in the 1970s in a controversial fire-bombing, was chosen Friday to head the NAACP...

George Bush Rejected? Not in Kuwait

KUWAIT - The emir of Kuwait sent one of his best Boeing 747s out for alterations this week - a royal bedroom suite, a formal dining room, several elegant guest rooms...

Xerox Is Reversing the Job-Flight Image

Xerox said this week that it had reached an agreement with its union on the operation of a new "low-complexity" manufacturing plant in Utica, New York. The plant will assemble parts for copiers produced at Xerox's high-tech manufacturing complex in Webster, New York.

Vertical text on the right margin containing various notices and advertisements.

Arabic script at the top of the page.

WORLD BRIEFS

Child Prostitution Spreads, Partly Because of AIDS Fears

By Marise Simons
BRUSSELS — Doctors, police officers and social workers accustomed to dealing with sexual abuse are reporting that children and adolescents are increasingly in demand as prostitutes because clients see them as "safer" and likely to be free of AIDS.

shows, "sex tours" and other products of the multi-billion-dollar sex industry, which they said have normalized the open buying and selling of sex and have eroded taboos against sexual exploitation of children.

ization on the phenomenon cite Colombia, Brazil, Benin, Thailand and the Philippines as countries in which child prostitution is rampant.

American cities marketed in the West often involve adolescent girls. And while the bulk of sexually explicit magazines and photographs involve adults, delegates said that an increasing number depict children.

China Renews Hong Kong Warning

HONG KONG (AP) — A senior Chinese official has warned that negotiations between Britain and China on the transfer of Hong Kong in 1997 will be impossible if Governor Chris Patten proceeds with his democratic reforms, a Beijing-financed newspaper reported Friday.

Negligence Led to Blast, Russia Says

MOSCOW (AP) — The explosion at a nuclear weapons reprocessing plant that contaminated parts of Siberia was a result of negligence, officials said Friday.

Nixon, in China, Hears From Li Peng

BEIJING (AP) — Prime Minister Li Peng told Richard Nixon on Friday that the two countries should focus on their common interests and restore healthy relations. "We hope to see Chinese-U.S. relations march onto a track of healthy development," he said.

New Armenian Offensive Is Reported

MOSCOW (AP) — Armenian forces started a new offensive on Friday in southwestern Azerbaijan, seizing one strategic village and threatening three regions, the Itar-Tass press agency reported.

TRAVEL UPDATE

Air France hopes to run most of its flights over Easter weekend, despite a strike at Orly airport. It said it would adjust the schedule for about 10 flights to the Antilles, North Africa and New York.

French Luxury-Car Owners May Get Some Money Back

PARIS — Thousands of French car owners could be due for a tax rebate as the result of a court decision that ruled illegal the special tax on large luxury automobiles.

Fears Rise of New Rioting In France Over the Police

PARIS — A teenager shot by a police officer while under arrest died Friday in the third such police shooting this week, raising fears of new rioting to protest police brutality.

Egypt and Algeria Fault Iran As Islamic Militancy Grows, Harsh Words Fly

By Caryle Murphy
Washington Post Service
CAIRO — Locked in struggles with Islamic militants, Egypt and Algeria have stepped up denunciations of Iran, asserting that it is supporting the Islamic rebels in their countries.

and its Arab neighbors in the Gulf region after an Iranian-provoked dispute last year over a tiny Gulf island.



VISIT TO CROATIA — The speaker of Iran's parliament, Nateq Nouri, center, the imam of Zagreb, Sefko Omerbasic, right, and others in a Zagreb mosque Friday. Mr. Nouri is on an official visit.

Russia Balks on Sanctions It Calls UN Plan to Punish Serbs 'Untimely'

By Paul Lewis
New York Times Service
UNITED NATIONS, New York — Underlining the difficulties of international efforts to push through even modest measures to punish the Serbs for refusing to make peace in Bosnia-Herzegovina, Russia has refused to accept a toughened set of American-sponsored sanctions against Belgrade.

strengthen the trade blockade. The effort by Washington to get sanctions is based on the hope that this will force Belgrade to end the fighting in Bosnia-Herzegovina by pressing its Serbian allies there to accept the peace plan they rejected.

Magistrate Charges Mayor of Lyon

LYON — A French investigating magistrate has charged Michel Noir, the conservative mayor of Lyon, with receiving illicit funds.

Gunshots Rake Boat Carrying Tourists on Nile

The Associated Press
ASSIUT, Egypt — Gunshots shattered windows of a Nile cruise boat carrying 35 Egyptian tourists in southern Egypt. Islamic militants took responsibility Friday for the overnight attack, which caused no injuries.

Russia Criticizes New Tokyo Aide On Kuril Issue

MOSCOW — Russia criticized on Friday remarks by Japan's new foreign minister that he will continue to press for the return of four of the Kuril Islands off northern Japan that Soviet troops seized in 1945.

GERMANS: Debate Is Altered

(Continued from page 1)
legal clarification before backing the German military involvement that he wanted all along.

Advertisement for dining and nightlife in Paris, listing various restaurants and their specialties.

Advertisement for 'Le Toit de Paris' and other dining establishments, including 'Al Goldenberg' and 'Chez Fred'.

Advertisement for 'Dining Out' in Paris, listing restaurants like 'Jarrasse', 'Carr's', 'La Villa Creole', 'Cote Seine', 'L'Arbuc', 'Le Bilboquet', 'Le Procopé', and 'Yugaraj'.

# FIRST 100 DAYS / SELLING TO JAPAN

## IMF, Pressed by U.S., Acts to Speed Russian Aid

By Steven Greenhouse

**WASHINGTON** — Under heavy pressure from the Clinton administration, the International Monetary Fund is moving to ease restrictions on aid to Russia with the aim of speeding several billion dollars in assistance to help that nation's economy.

The fund's 24-member board informally endorsed the program at a meeting on Thursday with the goal of providing urgent aid to countries, most notably Russia, whose economies are in tatters as they make the transition from communism to a market economy.

Officials of the International Monetary Fund said their new aid program would help finance desperately needed imports and would involve more lenient restrictions than typical IMF aid programs.

Speaking about these international lending institutions, the Treasury official said, "They're certainly going to be very important players in any ongoing efforts to support Russia."

## Clinton Budget: Alive, Kicking and a Good Bet

By David E. Rosenbaum

**WASHINGTON** — For years, Presidents Ronald Reagan and George Bush sent Congress budgets that were, it was commonly said at the time, dead on arrival. Since no one expected the Democrats who controlled Congress to approve the proposals of the Republican presidents, the budget documents were more election manifestos than operational plans, dependent more on stirring words than on sound fiscal analysis.

This legislation will be debated under procedures that guarantee quick action. In the House, amendments on the floor will be limited if not completely barred. In the Senate, the rules will prohibit a filibuster like the one by Republicans that has tied up the job bill.

Under Democratic control, the Senate and House are most likely to approve easily the proposals to raise the taxes of corporations and wealthy individuals and to expand significantly the earned-income tax credit, a measure that helps poor working families rise above the poverty level.

Even if Congress approves the Clinton budget more or less as he offered it, that does not guarantee it will meet his goal of reducing the federal deficit from the current 5.2 percent of the nation's total production of goods and services to 2.8 percent in the 1997 fiscal year, the last of Mr. Clinton's term.

## An Energy Dept. Shake-Up Sets Off a Storm

By Matthew L. Wald

**WASHINGTON** — Seeking to streamline her department, the new energy secretary is reversing some organizational changes that her predecessor made to improve nuclear safety, provoking an angry fight and the resignation of a top official.

Mr. Blush, the director of the Office of Nuclear Safety and an authority on the department's bomb factories for most of the last decade, he sent Mrs. O'Leary a bitter letter last Friday saying that he had found her two months in office "intolerable."

After receiving his letter, Mrs. O'Leary went to Mr. Blush's office in Germantown, Maryland, and in a meeting with his staff asked him to stay on Monday, a department spokesman said. But after negotiations with him broke down later that day, the department's chief spokesman, Michael G. Gandin, described Mr. Blush as "a petulant bureaucrat throwing a tantrum" and said Mrs. O'Leary was no longer seeking to have him withdraw his letter of resignation.

## U.S. Missed Key Issue In a Sale To Tokyo

By Keith Bradsher

**WASHINGTON** — A review by the Commerce Department has found that the United States government missed key national security problems when it allowed a Japanese company to buy the only American manufacturer of some computer components used in the Patriot and Trident missiles.

### AMERICAN TOPICS

#### Tuition Still Rising, But Not So Rapidly

College costs are still going up, but the average increase is the smallest in two decades, The New York Times reports. Even so, increased expenses for tuition, room and board will outstrip the rate of inflation at many institutions.



**PATH OF DESTRUCTION** — A heavily damaged school and other buildings in Grand Isle, Louisiana, after a tornado struck the coastal town. Five people, including a student, were killed.

#### Short Takes

**Easter Bunny beware!** Hiding your eggs the night before the big hunt could endanger the finders. So says the U.S. Agriculture Department's Meat and Poultry Hotline. "Hard-cooked eggs should not be out of the refrigerator for more than two hours," a spokeswoman says. "Hide them just before the Easter egg hunt, not the night before. When preparing the eggs to be hidden, take care not to crack the shells. If the shells are cracked, bacteria from hands and hiding places could contaminate the egg."

#### The Oxford Book of American Legal Quotations

recently published, includes such gems as those of the former mayor of Jersey City, New Jersey, Frank Hague: "I am the law." Roy M. Cohn: "I don't want to know what the law is; I want to know what the judge is," and Leroy (Satchel) Paige: "I never threw an illegal pitch. The trouble is, once in a while I toss one that ain't never been seen by this generation."

#### Typewriters have been around for a century, so why have repetitive stress injuries from typing like carpal tunnel syndrome been noticed only recently?

Because, writes Joel Achenbach in The Washington Post's "Why Things Are" column, the old manual typewriters required you to do a lot of things with your hands, like slapping the carriage return at the end of each page and rolling the platen up and down in order to dab correction fluid on errors. None of this is necessary with computer keyboards. You just keep tap, tap, tapping.

#### A suspected drug dealer tried to evade sheriff's deputies in Charles County, Virginia, by darting into a wooded area under cover of darkness. But deputies had no trouble following him: He was wearing novelty sneakers that light up. A sheriff's department spokesman said Alfred E. Acree, 20, was wearing a pair of L.A. Gear's new "Light Gear" shoes, with battery-powered lights that flash when the heel is pressed, and "every time he took a step, we knew exactly where he was."

Arthur Higbee

## POLITICAL NOTES

### Health Care Awaits Decisions

**WASHINGTON** — A senior White House adviser, Ira Magaziner, has told the 100 staff members of the administration's health-care task force that they have completed the first phase of their work and have gone as far as they can without key decisions from President Bill Clinton and Hillary Rodham Clinton, who heads the task force.

### Lobbyists: Plus Ça Change . . .

**WASHINGTON** — The man who reviewed the work of the Federal Communications Commission as a member of the Clinton transition team is now coordinating a lobbying group trying to influence billion-dollar decisions by the agency. Critics say those actions put the former aide, Ronald Plesser, in violation of the spirit of the transition team's ethics rules.

### Clinton Names Humanities Chief

**WASHINGTON** — The Clinton administration has selected Sheldon Hackney, the president of the University of Pennsylvania, to be the chairman of the National Endowment for the Humanities. The choice of Mr. Hackney, 59, an outspoken advocate



Mr. Clinton at the Pentagon, flanked by General Colin Powell and Defense Secretary Les Aspin.

### Quote / Unquote

An unnamed Pentagon official after Mr. Clinton's first visit to the Defense Department: "These things are kind of symbolic, but he's commander in chief and he needs to be close to the troops because he may need to put them in harm's way someday."

## BUSH: Kuwait Prepares to Greet a Conquering Hero

(Continued from page 1)

national mourning that prevailed here when their man lost to his presidential rival last November. But it isn't as if this tiny country has totally lost track of reality. Throughout the busy preparations for the Bush visit, the emir also has taken pains to remind his people — and officials in Washington — that Kuwait is well aware there is a new president.

protection — a daunting task in a nation that still sits in the shadow of Mr. Bush's sworn personal enemy, President Saddam Hussein of Iraq.

Most Western diplomats in the capital sought to distance their governments from what all see as an intensely personal visit among old friends.

### Away From Politics

- A jury acquitted Representative Harold E. Ford of Tennessee of charges he took political payoffs from two former bankers and political allies. The U.S. District Court jury acquitted the Democratic congressman on 18 counts of conspiracy, bank and mail fraud. Mr. Ford, 47, had been on trial in Memphis since March 1 on charges he took bogus loans from two former Tennessee bankers.
- At least seven people linked to a purported British spy have been killed or found dead around the country during the past decade, an Oceanside, California, newspaper reported. It said the FBI and California attorney general had spent years investigating deaths that may be connected to covert activities by Ian Stuart Spiro, who was found dead of cyanide poisoning on Nov. 8.
- A Branch Davidian leader said that six cult members were killed in the federal raid on the sect's compound near Waco, Texas. Richard Schwein, a lieutenant of the cult leader, gave negotiators the names of six cultists who he said had been slain, an FBI spokesman said. He said the FBI could not confirm the truth of the assertion.
- The space shuttle Discovery was maneuvered to take solar readings that may help in understanding ozone depletion over the Northern Hemisphere. Ground controllers, meanwhile, worked on an equipment problem aboard the shuttle that was preventing the transmission of ozone readings back to Earth.
- Students' mathematics scores are substantially improving in half the states that took part in a national test, but 75 percent of students nationwide are still below standard, according to a federal report.
- Although female guards may pat down male inmates, male guards at a Washington state prison cannot conduct random searches of female inmates, a U.S. appeals court in San Francisco has ruled. It said such searches constituted cruel and unusual punishment.
- Milwaukee health officials said slaughterhouse runoff may have caused the tap-water contamination that has sickened thousands of people. Tests found at least 23 victims were infected by the parasite cryptosporidium, which is present in animals' intestinal tracts.

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OPINION

INTERNATIONAL **Herald Tribune**  
Published With The New York Times and The Washington Post

**Questions About Bosnia**

From a grotesque quarter — the accused war criminal Slobodan Milosevic, president of Serbia — comes warm appreciation for Bill Clinton's policy in Bosnia. Mr. Milosevic, in a Washington Post interview, expressed satisfaction that the new administration was allowing Bosnian Serbs to consolidate their territorial grab. This is no small embarrassment for President Clinton, who has been struggling, by measures short of force, to induce Bosnia's Serbs to yield territory. These measures have proven inadequate, and now Mr. Milosevic, adding insult to injury, thanks Mr. Clinton for his forbearance.

**Clinton's Budget Progress**

The budget presented on Thursday by the Clinton administration contained no big surprises. The line-by-line details in its 1,300 pages mirrored the economic plan President Bill Clinton outlined in February. Still, the budget's release provides a good occasion to measure the progress and implications of Mr. Clinton's assault on Reagan-Bush economics.

**BCCI: Sense and Justice**

In the BCCI case, Clark Clifford and Robert Altman remain under indictment in New York State, and Mr. Altman's trial there has already begun. By moving to dismiss the parallel federal charges in Washington, the Justice Department has paradoxically strengthened the position of both the defense and the prosecution.

**The Glory of Her Voice**

She had a voice that dazzled Toscanini and a dedication that heartened the whole world. Marian Anderson, who died Thursday, sang compellingly that her Lord held the whole world in His hands. With her gloriously quiet manner she, too, held multitudes in her hands.

**Middle East: Clinton Takes a Sharp Turn**

By Stephen S. Rosenfeld

WASHINGTON — In no place is Bill Clinton diverging more from George Bush's foreign policy than in the Middle East. Perhaps this will work out well in the end, but at the moment it looks as though Mr. Clinton, who has said he believes he has "a real shot" at peace, has not begun hitting the target.

To judge by results, Mr. Bush had the right formula: Be demanding but fair with both Israel and the Arabs, and intervene assertively to move things along on all fronts. This is how he and his secretary of state, James Baker, created consistency for negotiation in all the key places and moved on to launch broad Arab-Israeli peace talks.

In the substance of his diplomacy, Mr. Clinton seems to be stepping back from the Bush attempt to engage across the whole Arab-Israeli spectrum. Instead, he is moving toward an emphasis on a Syria-first strategy, leaving the Palestinians to be isolated by their own splits and feuds.

overwhelming symbol of loss to Western intrusion. Whether Palestinians can find their political way may be problematic. That Israel has a surprising interest in their political progress is not.

**For the Enemies of the Saudis' Enemy, a 'Cemetery'**

By Flora Lewis

PARIS — Call him Ahmed el-Sayegh. He fears reprisals against relatives still in Iraq if he gives his real name. He wanted to draw attention to the plight of Iraqi refugees languishing in Saudi Arabia, and to voice bewilderment at a world that keeps talking about support for democracy and keeps tolerating Saddam Hussein.

"What has befallen us of defeat, shame and humiliation, Saddam, is the result of your follies, your miscalculations, and your irresponsible actions," he shouted. Then he got back in, swiveled his turret, and blasted away Saddam's face.

who arrived in California last month. "They say we are not Muslim, we don't believe in God. And they say you Iraqis talk politics all the time. We don't want any of that here."

The refugees confirm reports that after the United Nations High Commissioner for Refugees established a mission near the camp about a year ago, there were some improvements. But they say the camp commander, Mohammed Arabi, at times told his troops to rape women and regularly seized people in the night, beat them, and forced them back into Iraq.

**From Savagery to a Modern Democracy**

By William Pfaff

PARIS — Don Juan de Borbon, father of Spain's King Juan Carlos I, was buried last week in El Escorial, near Madrid. The occasion was one which gave evidence of the healing power of time.

He believed in stability, order, morality, Catholicism. He hated the modern world of socialism, consumerism and moral relativism. Spain today is a society where he would have longed. Yet he, more than any other individual, made today's Spain possible.

isolation. At the same time a younger, technocratic generation began the modern economic reform of Spain, a process which produced rapid economic development and culminated in democratic Spain's admission to the European Community in 1977.

command and obtained the rebel's bloodless surrender. It was a serious, but ultimately farcical, reenactment of Franco's military coup of 1936-39, but this time the man Franco had made king, Alfonso's grandson and Don Juan's son, dismissed the rebellion and preserved democracy.

**Big Science Takes a Look Upstairs**

By Bryan Appleyard

LONDON — God has made a comeback in big science. "We shall know the mind of God," wrote Stephen Hawking in "A Brief History of Time," when we arrive at the theory of everything, a set of equations that will resolve the contradictions of modern physics and, in doing so, contain the history of matter.

Could eventually take us all the way. God, for Einstein, had a certain reality, a moral force, which was why Einstein could not bear the thought of Him playing dice. But what does God mean in these new battle cries from the leading edge of physics? Very little.

Amid all the God stuff this may sound like hard-headed science. But in fact Mr. Weinberg is making an extravagant claim as the rest of them. He is not content to let a unified theory be merely a set of equations, he believes it will have moral and cultural force, dispelling superstitions, turning us away from our horoscopes. In other words, it will have meaning.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO  
**1893: Queen's Letters**  
LONDON — It is not often that autograph letters from the queen come into a sale of manuscripts. There are several specimens which Messrs. Sothby and Wilkinson offer for sale. One, in German, is dated from Buckingham Palace, June 16, 1843. Another, in English, from the same address a year later, is addressed to the Duchess of Gloucester.

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**1918: America's Duty**  
NEW YORK — All the morning newspapers use Mr. Lloyd George's appeal to Americans to speed up in every branch of war work, especially in the construction of ships to convey United States troops to Europe. General Wood made the following statement: "We can win the war, but we can only win it by the combined efforts of the men and women of America, and we all ought to share the

**Help Boost The Forces Of Change**

By A. M. Rosenthal

NEW YORK — Time after time in the past half-century the Western democracies strengthened dictatorships economically and militarily. Then of course the dictatorships made war against the democracies. Heaven help us, the West is at it again.

Under a democratic government, China's growth would be no less feared and just as welcome, as growth in a democratic Russia. The danger of rising power lies only in those countries where it is overused, commandeered and used by governments whose rulers can make war by fiat — the dictatorships, whether fascist, Communist, military, terrorist or theocratic.

President Clinton will be under pressure to waffle. Export-import lobbies will tell him, hell, it's a fool's game to give up business with China. And even if he does, millions will be millions will still be employed and Tibet occupied. China's people will still live under despotism and the Communist army still will grow.

**1943: Up-and-Down Men**  
WITH BRITISH 8TH ARMY IN TUNISIA — (From our New York edition.) Great Britain, France, India, central Africa — these are the widely separated countries from which came the men who fought and won yesterday's (April 6) battle at the Wadi Akarit. Facing them were Germans and Italians, and beyond them were the Americans. About the only people who were not involved were the inhabitants of the country where the battle was fought — the Tunisia. After midnight, but before the moon had risen the Indians moved noiselessly into the mountains where the enemy was taking. Foremost among them were the Gurkhas, little dark men from Nepal who are used to climbing and fighting in mountains. Uphill and downhill they are fearless; the only thing that fuses them is marching across flat country.

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Peseta Likely to Go Down for 3d Time
Analysts, Citing Spain's Weak Economy, See a Devaluation

LONDON — The Spanish peseta, so far unruffled by a simmering political scandal, will not avoid its third devaluation within the European exchange-rate mechanism in 12 months, analysts said Friday.

Victory in the October election. But his threats of resignation are purely political maneuvering, they said. "González doesn't want to resign," said Venancio López, a trader at Banco Santander de Negocios in Madrid, as nobody else in the party has his kind of standing and the Socialist's chances of victory in October would be poorer without him.

of currency speculation that washed over the exchange-rate mechanism last fall. Its central rate was lowered by 6 percent in September and again by 6 percent Nov. 22. The peseta's ability to stay close to its central rate in the European mechanism will depend largely on the speed and size of further interest-rate cuts by the Bundesbank, analysts said.

Thomson Cut Losses Last Year

PARIS — Thomson SA, the state-owned electronics concern, reported Friday a net attributable loss of 544 million francs (\$99.6 million) in 1992, after a loss of 702 million francs the previous year.

German Union Shows Willingness To Compromise to Avoid Strike

BONN — The leader of Germany's largest union is holding out an olive branch to employers, saying that workers were willing to accept even a painful compromise to avert a potentially crippling strike in the eastern part of the country.

The employers had reneged on their original agreement after months of unsuccessful negotiations that had sought to reduce the 26 percent raise for the engineering sector to 9 percent.

The union claimed that this action was illegal and was designed to set a precedent for future action in Western Germany, where such a move had never been taken.

Markets Closed

Most markets worldwide were closed Friday for the Easter holiday. U.S. markets will trade Monday, but most of Europe and parts of Asia will only reopen Tuesday.

U.K. Grocers Attack Sunday-Hours Plan

LONDON — Supermarkets that have been disregarding an official ban on doing business on Sundays attacked on Friday a proposal that other retailers had made to revise the law.

or more than 20 percent in Eastern Germany, plans to call a strike ballot on April 19 unless a compromise is found.

Sanctions Delayed On NWA

TOKYO — Japan on Friday postponed until early May a decision on whether to penalize Northwest Airlines for allegedly violating an aviation accord by picking up too many passengers in Japan on its New York-Osaka-Sydney route.

Yen's Rise Turns Japan Inward

TOKYO — Institutional investors here are cutting their securities holdings in the United States and Europe to slash foreign-exchange losses as the yen soars, analysts and fund managers said Friday.

Municipalities to Tap Market

TOKYO — The upcoming government spending package is expected to force municipalities to sharply boost their bond sales, possibly disrupting the balance of funds in Japan's capital markets, analysts said Friday.

Malaysian Stockbrokers Rein In Trading

KUALA LUMPUR — Some Malaysian stockbrokers, worried by a week of record-breaking speculative trading, have ordered a cooling-off period by restricting clients' share purchases, industry sources said Friday.

With Japanese institutions wary of investing abroad, the yen is becoming the safer bet, analysts said. As Mr. Gittler put it, "The yen is the only currency where the movement is all one-way."

With Japanese institutions wary of investing abroad, the yen is becoming the safer bet, analysts said. As Mr. Gittler put it, "The yen is the only currency where the movement is all one-way."

Japanese Burgers to China

TOKYO — Yaohan International Group, a Japanese supermarket operator, will jointly develop a hamburger franchise in China with another Japanese concern and a Chinese company, a spokesman said.

COMPANY RESULTS

Table with columns for Country, Company Name, and Financial Data (Revenue, Profit, etc.) for various companies in Belgium, Britain, France, and the United States.

Very briefly:

- Russia underestimated its 1992 oil and gas condensate production by at least 8 million tons, or 160,000 barrels a day, the weekly Moscow News said.

WORLD STOCK MARKETS

Table showing stock market indices for various countries including Brussels, Milan, and Tokyo.

CALL FOR LESS. Tired of being charged two or three times US rates for international calls? Sick of hotels that add 50% or more to every phone call? Fed up with telephone credit cards that add two or three dollars to every call?

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On May 17th, the IHT will publish an advertising section on High Technology: A Guide to the 21st Century. Among the topics to be covered are: Technologies of the future, Outlook for cooperation among the U.S., Japan and Europe.

Subscription Rates & Savings off IHT newsstand prices. Table with columns for Country/Currency, 12 months + 2 months FREE, 6 months + 1 month FREE, 3 months + 13 FREE issues. Includes contact information for the International Herald Tribune.

Saturday-Sunday, April 10-11, 1993 Page 10

THE MONEY REPORT

FIRST COLUMN

A Sweetener For the U.S. Taxpayer

WHAT dread week is upon U.S. citizens again, April 15 falls on Thursday, and millions of Americans will be sitting around their kitchen tables at 3 A.M. that morning...

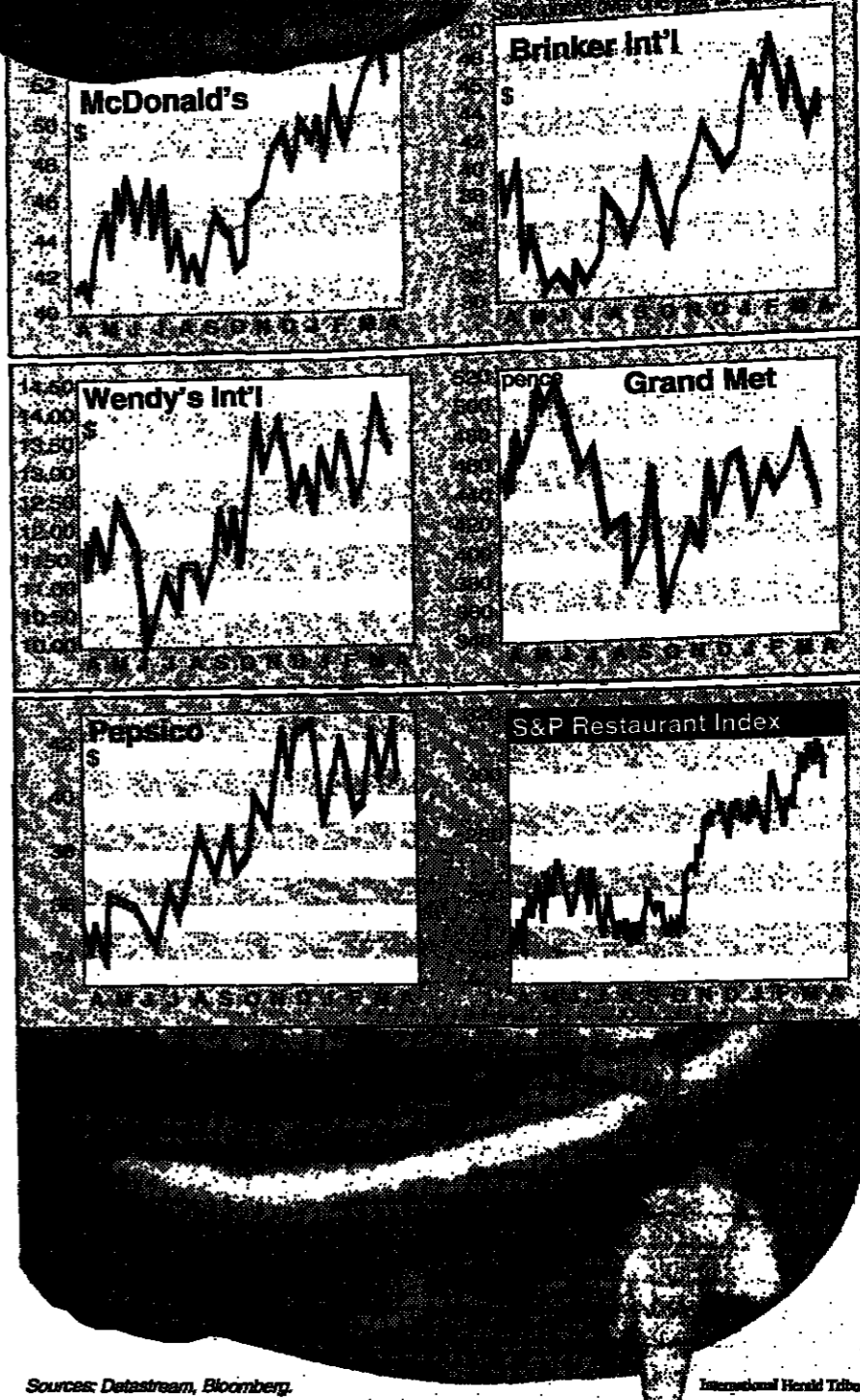
Fast Food Stocks: Hot and Juicy

By Phillip Crawford

ONLY time will tell if the trademarks of fast food restaurants will someday be perceived as sacred symbols of an ancient civilization...

total. The stock currently trades at around \$40. All three restaurant chains performed well last year, with sales growing 18 percent to \$2.2 billion at Kentucky Fried Chicken...

Met's profits, but it's still a positive factor in my "buy" recommendation on the shares. Wendy's International Inc. is also on the "buy" lists of many experts...



March Market Scoreboard

Table with columns for Best Performers and Worst Performers, listing various stock indices and their performance metrics for March.

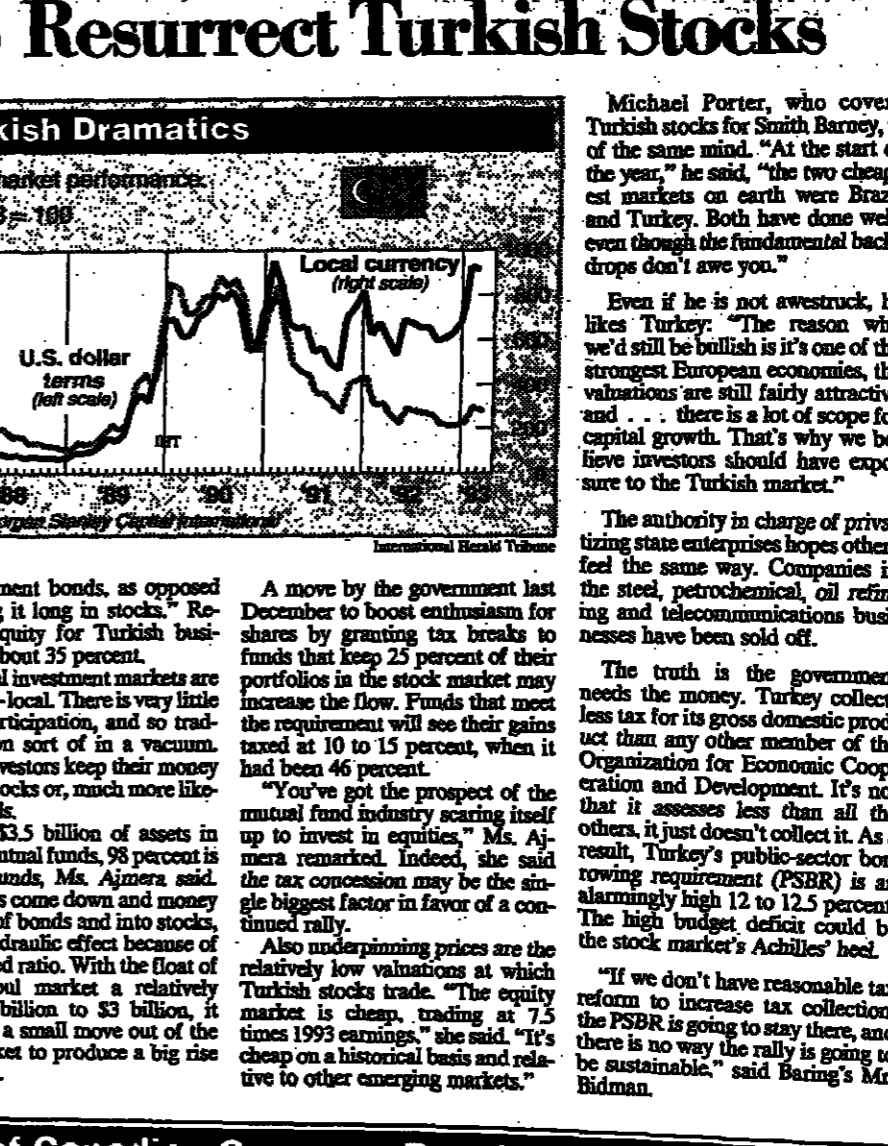
Tax Concessions Help to Resurrect Turkish Stocks

By Conrad de Aenlle

TURKEY'S stock market, left for dead when its neighbor Iraq invaded Kuwait in the summer of 1990, began to show twitches of life...

Turkish Dramatics

now they are living well because rates, which are always sky high by the standards of developed economies...



BRIEF CASE

Ford Launches Credit Card In Response to GM Version. Is there a Ford in your future? Not just the car, but the credit card...

Hub and Spoke Structure Approved in Hong Kong. Things continue to happen at Signature Financial Group. Several weeks ago, the Boston-based group received a U.S. patent...

Hong Kong Securities and Futures Commission has authorized the use of the structure for mutual funds sold publicly to Hong Kong investors.

Analysts' Estimates of Canadian Company Results

Table listing Canadian companies and their financial results, including earnings estimates, last month's estimates, and current prices.

THE MONEY REPORT

For the Big Players, Derivatives Funds Aim High

By Rupert Bruce

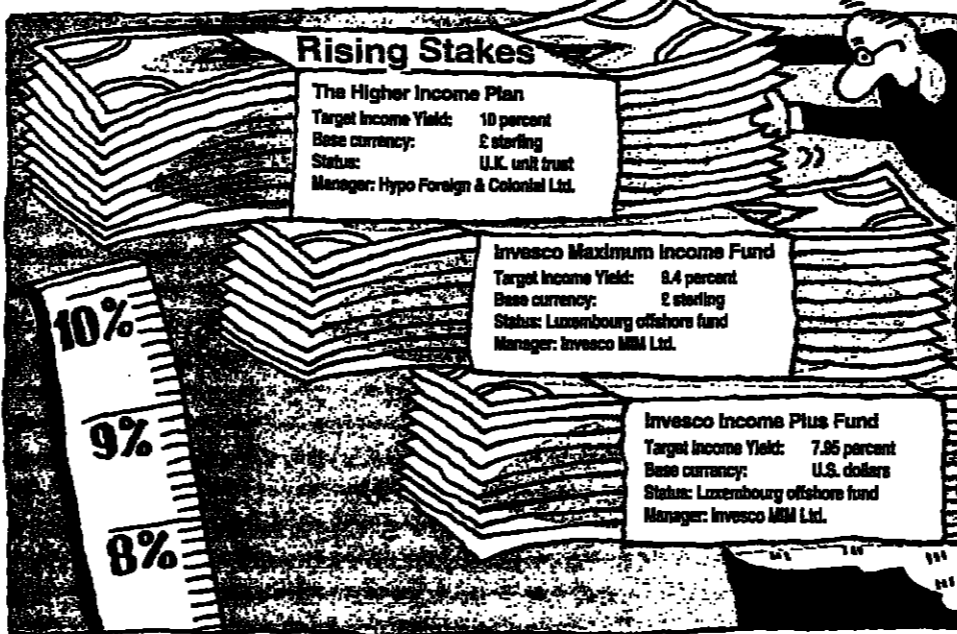
FEELING poor? Almost every week deposit account rates fall in one European country or another. And in the United States they have been low for some time. But there is an alternative: an investment that can yield up to 10 percent or more.

For the average investor this takes the form of a handful of mutual funds with a sterling or dollar base. But for the investor with a few million dollars — and a head for risk — there are a number of commodity trading advisers who will manage accounts for them.

The catch, of course, is that there are no capital guarantees. While the investor gains a higher income, there is a chance that the original investment could be eroded.

Hypo Foreign & Colonial Ltd, jointly owned by Hypo Bank of Germany and Foreign & Colonial Management Ltd, of Britain, caused a stir in the United Kingdom last month when it set up the Higher Income Plan, a fund with a target yield of 10 percent at a time when British money market rates are at 6 percent. It uses financial options to do this, and in only a few weeks has attracted some £44 million (\$66 million).

Offshore, two similar income funds run by Invesco International Ltd, and based in Luxembourg also use financial derivatives to boost their income yield. The Income Plus fund is dollar based and yields 7.95 percent at a time when U.S. money market rates are about 3 percent, while the Maximum Income fund is sterling based and yields 9.4 percent.



For the bigger players, with a sophisticated understanding of risk and the derivatives markets, a number of commodity trading advisers will undertake to boost the income yield of a core fixed-interest portfolio.

FSM Gestion & Recherche, a Swiss firm, will work for investors with a liquid \$1.25 million or more. It aims to boost the yield of a core portfolio by up to 30 percent. Investment managers say these funds and services are relatively rare because the derivatives business is still very young in many places. But they should become more common. Daniel Sheard, manager of the Hypo Foreign &

Colonial fund, says he has heard of rivals planning to follow his lead. And he hopes to launch an offshore product soon.

The way the funds work is complicated, as you might expect when derivatives are involved. In the case of Hypo Foreign & Colonial's Higher Income Plan, there is a core portfolio of blue chip British shares and cash. Mr. Sheard then boosts the income yield of the core by writing (that is, selling) options. Each time he does this the buyer pays a premium to the fund, so boosting its income.

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are short-term, they impact the cash flow and therefore the income of the portfolio.

But, what of the old investment maxim, "The higher the income, the higher the risk"? The managers of the Hypo Foreign & Colonial and Invesco funds say they do not think their investors will lose money. But they emphasize that these are not capital growth funds.

Mr. Sheard said, "The fund does not give you something for nothing. It simply rearranges the return from an equity fund." In other words, U.K. equities have typically returned about 10 percent in capital growth and 5 percent in income.

Mr. Sheard would expect his fund to return 10 percent in income and somewhere in the region of 5 percent in capital growth.

Invesco's funds, which have been in existence for more than two years, show the advantages and the shortcomings of writing derivatives to boost income. David Hypher, a director of fixed income at Invesco MIM Ltd., said: "The objective of both of our funds is to maintain a high pay-out without turning capital into income."

limit capital gains. This suggests that in particularly strong markets, these quasi-derivative funds will underperform. But Mr. Hypher points out that these funds are for people who want a high income, not a high total return or capital growth.

Advertisement for 'No. 1 OFFSHORE COMPANY SPECIALISTS' listing various services and contact information for Simon Osborn.

Advertisement for 'Best Performing Mutual Funds' showing performance data for various funds over different periods.

Table listing various mutual funds and their performance metrics, including fund names, managers, and returns.

Large table titled 'INTERNATIONAL FUNDS' listing numerous international investment funds with columns for fund names, managers, and other details.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.



# SPORTS GOLF

## 2 Switch-Homers 'By Indians' Baerga In 7th Are a First

**The Associated Press**  
On a night of firsts, Carlos Baerga was a big hit, and so were the Boston Red Sox.

### AMERICAN LEAGUE

Baerga did what no other switch-hitter had ever done, homering from both sides of the plate in the same inning during Cleveland's 15-5 romp Thursday night over the New York Yankees.

Boggs's place at third base, drove in four runs with three hits, Mike Greenwell had an extra-base hit for the Red Sox lead 8-0 in the second inning. They roughed up Mark Gibson, who pitched for the first time since July 10, when shoulder and arm problems ended his season.

### AMERICAN LEAGUE

The Tigers gave up 21 runs in losing the first two games at Oakland, but Hemmaman, who refused to start the ninth, shut down the A's after they loaded the bases on an error by shortstop Travis Fryman and two walks.



Greg Norman missed a birdie putt, but still rebounded after a poor first round with a 68 on Friday.

## Maggert Charges to Lead As Storm Halts Masters

**Compiled by Our Staff From Dispatches**

AUGUSTA, Georgia — An unheralded Jeff Maggert charged down the back nine to leapfrog the leaders on Friday and take a one-stroke lead during the second round of the Masters Tournament as play was suspended at Augusta National because of heavy rain.

Maggert, who began the day at two-under, had improved by a stroke by the time he then clipped in for birdie at the par-three 12th, birdied 14 and sank a putt from the fringe for eagle-three at the 15th to reach seven-under-par with a round of 67.

next two days and hope to have some fun.

The PGA champion, Nick Price, another pro-tournament favorite coming off his Tournament Players Championship win, soared to an 81. His round included a quadruple-bogey eight on the usually docile 14th hole, and he finished at nine-over 153 with no chance of qualifying for weekend play.

But the Spaniard battled back to fire a five-under 31 on the homeward half for 70 and a total of 144, a score he shared with Sandy Lee of Britain, Payne Stewart and Japan's Joe Ozaki, among others.

He missed three close birdie putts on the back side — 12-footers on Nos. 11 and 18 and a 15-footer on No. 16.

"I just wanted to get close going into the weekend," said Norman, who added that he had set himself a target of 67 for the round. "I don't mind being five or six shots back at the end of the day. That's nothing with 36 holes left."

Others had more difficulty at the devilish par-3 12th, where swirling winds made club selection a guessing game.

## No Rust Here: Bo Drills One

**The Associated Press**  
CHICAGO — Bo Jackson hit a pinch home run in his 1993 debut with the Chicago White Sox in the sixth inning against the New York Yankees on Friday. But the Yankees went on to win, 11-6.

## There's No Aaron, No Unitas, but There's Still a Nicklaus

**By Thomas Boswell**

AUGUSTA, Georgia — Behind the 17th green of the Augusta National Golf Club, a reporter was asleep on the grass on Thursday, the victim of too much lunch and a spring day full of warm sun and soft breezes.

was red, not black. Nicklaus was under par. "What's Nicklaus putting for?" asked Rip Van Winkle.

In this weird patch of Georgia woods, athletes are transported back in time—at least in their own minds. Nothing changes here. Not a limb on a live oak, not a twig on the tallest pine seems different from decade to decade.

## Scoreboard

BASEBALL	BASKETBALL	HOCKEY
Major League Standings	NBA Standings	NHL Standings
AMERICAN LEAGUE	EASTERN CONFERENCE	WALLES CONFERENCE
West Division	Atlantic Division	Pacific Division
East Division	Central Division	Northwest Division
NATIONAL LEAGUE	WESTERN CONFERENCE	SMITHSONIAN CONFERENCE
East Division	Midwest Division	North Division
West Division	Pacific Division	South Division

## Cards' Smith Ties Record for Saves

**The Associated Press**  
Once again, Lee Smith saved the day. He tied Jeff Reardon's major-league record with his 357th career save as the Cardinals beat the San Francisco Giants, 2-1, on Thursday in St. Louis.

## Sidelines

needed only eight pitches to retire Matt Williams, Barry Bonds and Robby Thompson.

## Italian League Suspends Canigga

ROME (Reuters) — The Argentine soccer league has suspended Claudio Canigga, AS Roma's striker, who faces a possible six-month to two-year ban after having tested positive for cocaine.

## Lloyd's Won't Appeal Bosworth Case

SEATTLE (AP) — Lloyd's of London will not pursue appeals of the federal lawsuit filed by the National Football League's Seattle Seahawks and the former linebacker Brian Bosworth over insurance payments for Bosworth's career-ending injuries.

## For the Record

A two-year European ban on the Greek basketball club Aris Salonika was reduced to one year on Friday by FIBA, the international basketball federation. The ban was imposed after Aris fans rioted and attacked SE.

## Transactions

BASEBALL  
CINCINNATI — Scott Williamson, outfielder, to Indianapolis AA, for medical re-evaluation.  
LOS ANGELES — Put Todd Worrell, pitcher, on 15-day disabled list. Recalled Pedro Martinez, pitcher, from Albuquerque, PCL.  
MONTREAL — Signed contract of Lou Proctor, infielder, from Ottawa, AA. Outfielder Matt Stairs, outfielder, to Ottawa. Designated Mike Thomas, pitcher, for assignment.

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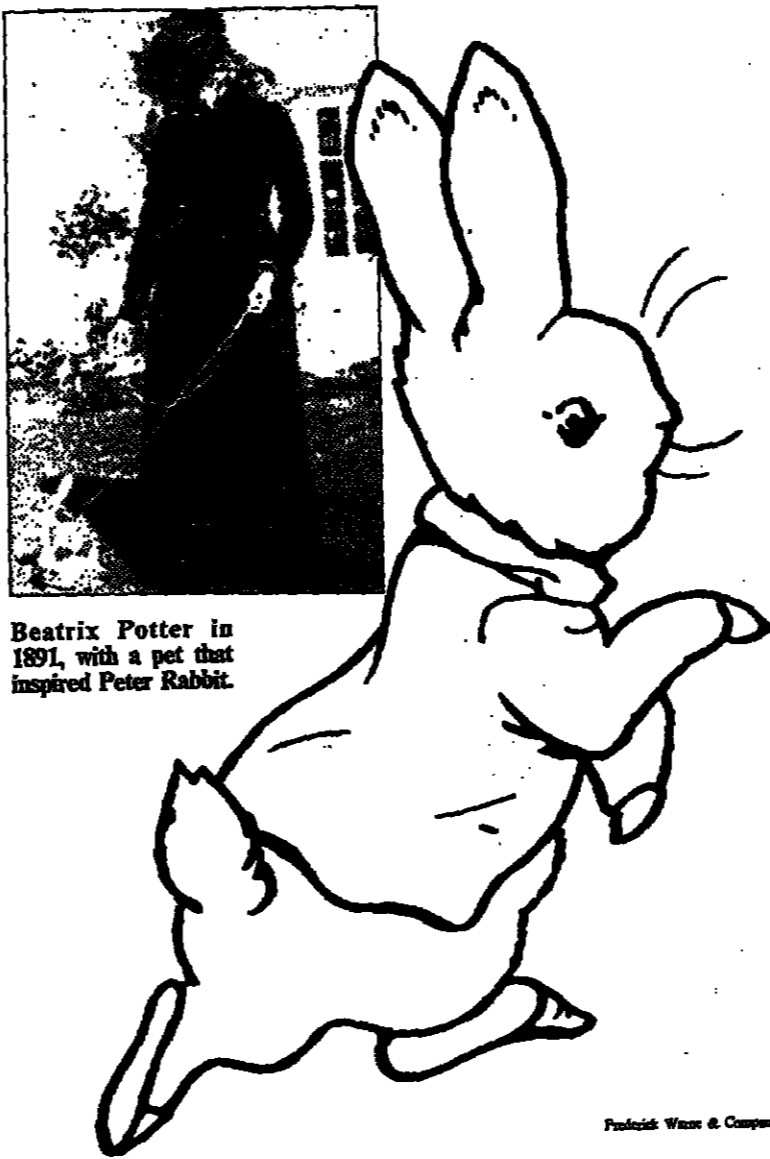
Fun With Tax Audits

MIAMI — Tax time is here, and chances are that you, like millions of other Americans, are busily going over your financial records, adding up columns of figures, trying to determine whether you have enough money left to pay for a house call by Dr. Jack Kevorkian.

The Very Modest Peter Rabbit Turns 100

By Stephanie Pierson

NEW YORK — He's the subject of museum exhibitions in Paris, Melbourne, Australia, and Edinburgh. He's the star of ballet galas in London. He just got his own trendy boutique in New York.



Beatrix Potter in 1891, with a pet that inspired Peter Rabbit.

this kind of frothy adulation. However, 80 percent of me applauds anything that promotes the reading of her books.

A New Bruce Lee Movie Will Be About Son, Too

A movie about Bruce Lee will be dedicated to the martial arts legend's son, who was killed last week while filming a movie scene.

INTERNATIONAL CLASSIFIED

WEATHER

Weather forecast section including maps and tables for Europe, Asia, North America, and Latin America.

HOPPY EASTER By Nancy Nicholson Joline

Crossword puzzle section with 'ACROSS' and 'DOWN' clues and a grid.

BOOKS

BALKAN GHOSTS: A Journey Through History

By Robert D. Kaplan. 307 pages. \$22.95. St. Martin's Press.

Reviewed by Tina Rosenberg

ON June 28, 1987, an ambitious Serbian Communist leader came to a field in Kosovo called 'Kosovo Polje,' the Field of Black Birds.

commemorated on that field took place in 1389. A year later, the coffin of the defeated Serb commander began a yearlong pilgrimage through every village in Serbia, followed by multitudes of sobbing mourners.

dering with a backpack containing one change of clothes and a load of old travel books. The Balkans are an inverted world: History stands still while geography changes.

zling. In the last six pages he turns optimistic. 'The Enlightenment was, at last, breaching the gates of these downtrodden nations,' he writes.

Tina Rosenberg, the author of 'Children of Cain: Violence and the Violent in Latin America,' wrote this for The Washington Post.

Solution to Puzzle of April 3-4

Grid showing the solution to the crossword puzzle from April 3-4.

Speed up the approval process.

Advertisement for AT&T USADirect Service, listing international access numbers for various countries.

